

BOB F. ANDERSON, PE, INC.
PETROLEUM ENGINEERS & CONSULTANTS
TELEPHONE (318) 425-4230
FACSIMILE (318) 222-1054
email: bfandpe@bellsouth.net

March 26, 2007

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Additional Alternate Unit Well
Cotton Valley Formation, Reservoir A
CV RA SU107
Elm Grove Field
Bossier Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **PETROCHEM OPERATING COMPANY**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, Elm Grove Field, Bossier Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize an additional alternate unit well for the production of gas and condensate from the Cotton Valley Formation, Reservoir A, in the unit designate CV RA SU107, Elm Grove Field, Bossier Parish, Louisiana, in exception to the spacing provisions of the 361-B Series of Office of Conservation Orders, such unit and well shown on the attached plat and being made a part hereof.
2. To find that an additional alternate unit well is needed on the CV RA SU107 to assist in draining a portion of the Cotton Valley Formation, Reservoir A, that cannot be drained by any other well located within the unit.
3. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit well or from a combination of all wells at its discretion.
4. To consider and cover such other matters as the Commissioner of Conservation may deem and appropriate.

The Cotton Valley Formation, Reservoir A, was defined in the 361-B Series of Office of Conservation Orders in the Elm Grove Field, Bossier, Caddo and Bienville Parishes, Louisiana.

Hon. James H. Welsh
Elm Grove Field
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The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained **at the expense of the requesting party.**

The subject matter to this application does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this application is being sent. A copy of this letter, plat and list of parties is being sent to the District Manager of the Shreveport District Office of Conservation and a copy of this letter and plat is being sent to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

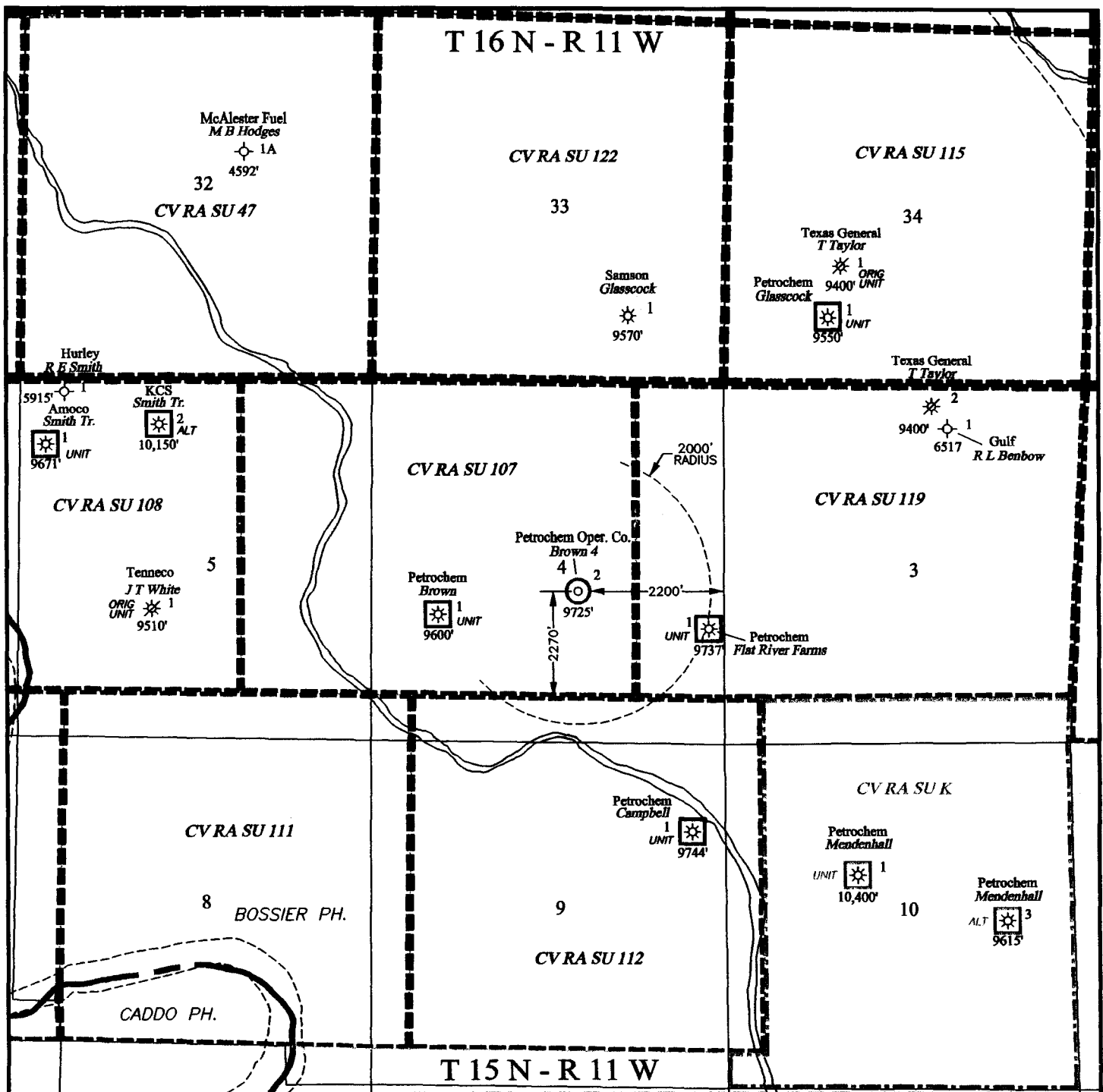
Attached is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

Yours truly,



B. F. Anderson, PE for
PETROCHEM OPERATING COMPANY

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.)
Interested Owners, Represented Parties and Interested Parties (w/plats)
Petrochem Operating Company (w/encl.)
Heritage Energy (w/plat)



PETRO-CHEM OPERATING COMPANY
SHREVEPORT, LOUISIANA

ELM GROVE FIELD
BOSSIER PARISH, LOUISIANA
PROPOSED
ALTERNATE UNIT WELL FOR
CV RA SU 107

- : EXISTING COTTON VALLEY RESERVOIR A UNITS SWAN LAKE FIELD
- : EXISTING COTTON VALLEY RESERVOIR A UNITS ELM GROVE FIELD
- ⊙ : PROPOSED ALTERNATE UNIT WELL
- ⊠ : APPROVED CV RA WELLS

